

**BUSINESS PLAN
TANZANIA BOTTLED WATER AND NATURAL FRUIT JUICE.**

**BUSINESS PLAN
FOR BOTTLED WATER AND NATURAL FRUIT JUICE.
PREPARED FOR:**

MURUWA DRINKS COMPANY LIMITED,
P. O. BOX 514,
MBEYA- TANZANIA

**BUSINESS PLAN
TANZANIA BOTTLED WATER AND NATURAL FRUIT JUICE.**

MURUWA DRINKS COMPANY LIMITED

TABLE OF CONTENTS

ITEM	PAGE
0 Summary of Salient Features	1
1 Project Objectives	2
2 Technical Aspects	3
3 Institutional and Legal Matters	5
4 Market Analysis	7
5 Financial Analysis/Viability	8
6 Environmental Impact	9
7 Employment Potential Social and Economic Benefits	10
8 Conclusion	10

BUSINESS PLAN
TANZANIA BOTTLED WATER AND NATURAL FRUIT JUICE.

APPENDICES

- I Capital Expenditure / Project Component
- II Investment Cost and Funding
- III Financing Plan
- IV Estimated Working Capital Requirement
- V Depreciation and Amortization
- VI Estimated Revenues and Operating Costs
- VII Projected Income Statements
- VIII Projected Balance Sheets
- IX Projected Cash Flow statements
- X After Tax Pay Back Period
- XI Projected IRR after Tax

1.0 PROJECT OBJECTIVES:

BUSINESS PLAN

TANZANIA BOTTLED WATER AND NATURAL FRUIT JUICE.

1.1 The objective of the project is to develop a water business that provides a safe drinking water product and natural fruit juices. The business will fill the growing demand for healthy,affordable,and locally-made beverages in Tanzania and eventually across East Africa and as a novel export product to the rest of the world.With an initial capital of **USD 2,000,000** the company will establish a modern production facility,develop a reliable distribution network and build a trusted brand.

1.2 The VISION, MISSION & GOALS

Vision

To become the leading provider of non-alcoholic beverages in East Africa by 2030

Mission

To deliver clean, safe, and refreshing water and natural juice to our customers through innovation,integrity and sustainability

Goals (5-Years Target)

- Build a factory capable of producing over 10 Million bottles annually
- Set up regional distribution hubs in 6 cities:Mbeya, Rukwa, Songwe, Njombe, Iringa and Ruvuma
- Distribute through supermarkets, restaurants, school, offices, hotel, mobile vendor
- Generate USD Four Million in net profit within 5 years.

1.3 Capital Investment

The Capital Investment opportunity for Mr WUMING LI and Mr.WUHUA LI planned Tanzania corporation is as follows:

A “Phased Approach” is planned that includes an initial Equipment & Factory Setup phase (PHASE I); Working Capital& Operations (PHASE II); and a Working Capital& Operationsphase (PHASE III). The following are current estimates for the investment.

- Phase I: Equipment & Factory Setup: \$ 920,000
- Phase II: Working Capital& Operations: \$700,000
- Phase III: Reserve & Expansion Fund: \$380,000

2.0 TECHNICAL ASPECTS

2.1 Location

The project will be located at Mbeya Region where the water will be tapped through deep drilling and transmitted to holding tanks at factory site.

BUSINESS PLAN
TANZANIA BOTTLED WATER AND NATURAL FRUIT JUICE.

2.2 EQUIPMENT & FACTORY SETUP-\$920,000:

These will consist of:

Item	Cost (Usd)
Water purification +bottling plant	150,000
Juice production(Pulping,pasterization,filling	250,000
Juice concentrate production unit	150,000
Packaging and labeling machines	100,000
Generator,tanks water system	70,000
Factory construction(building+interior)	200,000

2.3 WORKING CAPITAL & OPERATIONS

These will be acquired at a cost of **US \$ 700,000**

Item	Cost (Usd)
Raw materials(fruits,bottles,packaging)	200,000
Salaries(12months)	150,000
Distribution fleets(2trucks,1Van)	160,000
Branding,marketing and launch	120,000
Licenses certificates(TBS,NEMC,TRA ETC)	20,000
Logistics,Fuel,warehouses,security	50,000

2.4 Reserve & Expansion Fund

These will be acquired at cost of **US \$ 380,000.**

- Emergency cash buffer-\$180,000
- Product line expansion,regional outlets-\$200,000

2.5 Producing Process:

a) Safe Drinking Water:

water is secured from a deep area of Lake Rukwa Basin where there is no marine life and the water is basically free of microbial organisms and its physical and chemical properties meet WHO guidelines for drinking water and is processed through a state-of-the-art water processing facility utilizing proven water purifying systems (hyro-7 purification system). The water will only be treated to conform to the bacteriological standard using micro filter, activated carbon filter, and ultra violet rays. The treated water enters pure

BUSINESS PLAN
TANZANIA BOTTLED WATER AND NATURAL FRUIT JUICE.

water storage tank the automatic bottle filler and sealer. The sealed water bottles are packed ready for market.

b) Bottle Production

A recyclable 5 gal (about 20 litre) preform will be purchased, blown and used for local distribution. Bottles will be washed, filled, and capped with an

BUSINESS PLAN

TANZANIA BOTTLED WATER AND NATURAL FRUIT JUICE.

automatic water-bottling machine at the plant. Smaller PET type bottles are also produced at the volumes of 500ml, 600ml, 1L, 1.5L, 16L and 18.9L.

2.6 Environmental Consideration:

Water treatment and bottling process are environmental friendly. The same company in collaboration with other stakeholders will take necessary measure to sustain the water sources and improve the environment.

3.0 INSTITUTIONAL AND LEGAL ASPECTS

3.1 Project Implementation Management

Project Implementation Management

Project implementation management is being coordinated by the main promoter and interim Chief Executive Officer Mr. Mohamed Ali assisted by Mr. Sebastian. Appointment of architects, civil engineers, and building contractor will be made in the course of time.

3.2 Shares and Shareholding

Tanzania Limited is a private limited liability company registered and incorporated in Tanzania on the 05th May 2025. Copy of the Certificate of Incorporated No. 184644703 is attached for reference. The authorised share capital of the company is TZS 100,000,000 divided into 1000 shares of TZS 100,000 each.

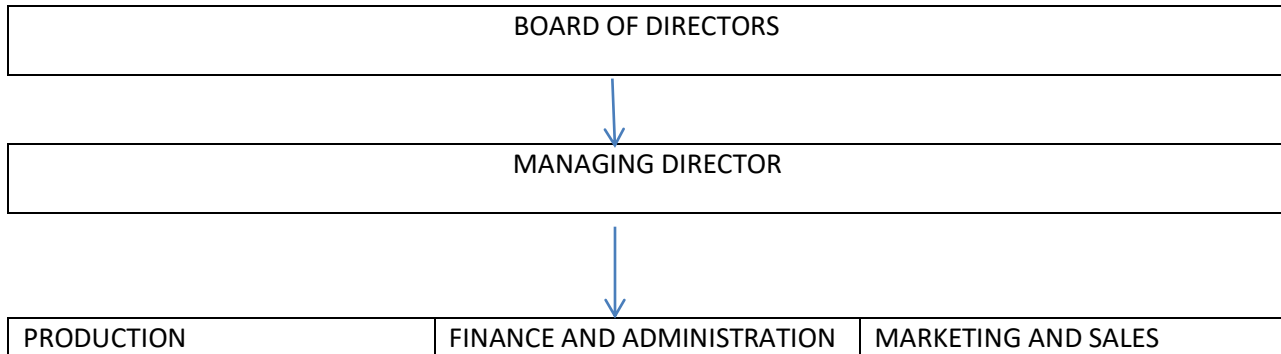
3.3 Board of Directors

The Board of Directors is the highest policy making body of the Company. The first Board of Directors consists of two directors.

**BUSINESS PLAN
TANZANIA BOTTLED WATER AND NATURAL FRUIT JUICE.**

3.5 Organization Chart

ORGANIZATION STRUCTURE.



4.0 MARKET ASPECTS

4.1 The Product

The main product of the company is processing and sale of clean safe drinking water. It is anticipated that the export product will be profitable as it will be positioned and sold as a novel product of Tanzania in a similar manner to Tanzanite. It is known that unique products do very well in the international market when they are positioned as one-of-a-kind product that offer the purchase something that is seen as unique, special, and out of the ordinary. Water products, in particular, follow this same trend with many unique water products being shipped all over the world as customers ask for them.

BUSINESS PLAN
TANZANIA BOTTLED WATER AND NATURAL FRUIT JUICE.

4.2 The Market

The company' local market base will be the general public in Tanzania Regions. Possible exports to East and Southern Africa cities will also be made. The company has plan to export the water in bulky containers packaging and sale overseas.

4.3 Existing Producers for the Local Market are:

	Name of Producer	Installed Capacity/hr	Installed Capacity/year
1	Uhai	15,000	36,000,000
2	Sayona	12,000	28,800,000
3	Masafi	10,000	24,000,000
4	Dasani	2,000	4,800,000
5	Penguin	1,500	3,600,000
6	Cool Blue	2,000	4,800,000
11	Siha Beverages	3,000	7,200,000
12	Maji Africa	3,000	7,200,000
13	Kilimanjaro Waters	3,000	7,200,000
14	Kilimanjaro Natural Products (proposed)	3,000	7,200,000
	TOTAL	54,500	130,800,000

4.4 Capacity

The company's production capacity is 12m³ per hour i.e. 96,000 per 8 hour shift per day. Loss on through put is assumed to be 0% i.e. 96,000 litres will be available for sale per day.

4.5 Pricing and Marketing Entry

BUSINESS PLAN

TANZANIA BOTTLED WATER AND NATURAL FRUIT JUICE.

Company prices are assumed to be as follows

1 litre = US \$ 1

4.6 Competition

In the local market the main competitors will be Kilimanjaro Waters, Kitulo, Dew drop, and Rungwe Waters.

4.7 Promotion

Occasional advertising through print and electronic media will be made in the local and foreign press. It is anticipated that profitability will allow expansion of the facilities to meet demand, thereby allowing us to hire more people, and ultimately provide more clean water facilities for the people of Tanzania.

5.0 FINANCIAL ANALYSES

The overall cost to move this project to market is estimated to be about **\$2,000,000** invested over a period of about 5 years. Mr. WUMING LI will provide initial funding for this startup business. A Tanzanian company has been incorporated in a timely manner to manage and operate the production facilities, hire local labor, manage local distribution, facilitate exportation of product, secure permits, and pay applicable Tanzania taxes and fees.

5.1 Operating assumptions

- It has been assumed that the project will commence operation August 2025
- The project is wholly equity financed.

5.2 Financial and Investment Assumptions

- No loans

BUSINESS PLAN

TANZANIA BOTTLED WATER AND NATURAL FRUIT JUICE.

- Capital cost estimates are based on current costs of water processing plant and associated equipment CIF Dar es Salaam.
- No replacement of fixed assets.
- Depreciation is as follows:
 - (ii) Pre-operational expenses: 10% straight-line basis – TABLE V

5.3 Working Capital – TABLE IV

The assumptions regarding the estimated project working requirements are given and based on the following:

- Inventory 2 weeks' sales
- Accounts Receivable 2 months
- Accounts Payable 1 month of total cost

Based on the above assumptions, the optimum working capital is estimated US \$ 56,200 in the 1st year of operation.

5.4 Liquidity projection - TABLE IX

The project reflects positive cash flow right from the first year of operation. Net cash flows rise from USD \$ 33,780 in the first year to US\$ 4,240,040 in the 5th year.

5.5 Projected Profitability – TABLE VII

(i) The project income statements reflect positive margins from the first year of operation of operation. Net profit after tax will rise from US \$ 7,070 in the first year to US \$ 1,706,670 in the 5th year. The same accumulates to USD 4,001,900 for a period of five years.

(ii) Internal Rate of Return – Appendix X

The projected yield of return of 57% (after discount), which is well above the current borrowing rate in Tanzania. But remember that the project is 100% equity financed.

5.6 After Tax Payback Period – Appendix XI

BUSINESS PLAN

TANZANIA BOTTLED WATER AND NATURAL FRUIT JUICE.

After the tax payback period is 5 years . Whereas investment cost is US \$ 2,000,000.

6.0 ENVIRONMENTAL IMPACT SUMMARY

There is no environmental impact resulting from the purification process. The water is simply processed through a filtration system. The amount of water processed from the lake will be negligible and will have no impact on the massive amount of water contained in the lake (currently the lake contains about 19,000 cubic kilometres of water). The amount taken will also be much less than the replenishment water coming into the lake via the many river drainages. No marine life, fish, molluscs, or any other important fisheries will be affected as the water intake source will be very deep and well beyond all living organisms. Testing will assure that the water is taken from an area well away from fisheries or any other important take areas used by local people.

7.0 EMPLOYMENT POTENTIAL

This plan is to employ Tanzania citizens in management, production, and distribution as follows:

Processing site	2	Managers
	15	Production, security, and shipping
	4	Quality and testing
Dar es Salaam	2	Corporate Managers and Export facilitators (USA & TZ)
Local Distributors	25	Independent Distributors
Total for initial Production	48	

BUSINESS PLAN

TANZANIA BOTTLED WATER AND NATURAL FRUIT JUICE.

Employment estimates are based on start-up requirements to propel the product through two years of local and international distribution. Expected growth rates will add employment opportunities, of course.

8.0 CONCLUSION AND RECOMMENDATION

- a. Analysis of viability of the proposed investment in water processing indicates that the project is financially viable and economically attractive. From a national point of view, the timely completion of the plant will lead to the following economic benefits:
- The Company will contribute towards the supply of clean safe water to Tanzanians and the rest of the world.
 - The export of water will increase foreign exchange earning capacity
 - The Company will provide direct employment to over 40 Tanzanian in the field of water processing.
 - The government will earn substantial revenue from the water export in form of levies and taxes.

b. RECOMMENDATION

that the project is viable and meets necessary requirements of Tanzania Investment Act, 1997 in respect of matters precedent to the registration of the business enterprise under the Act.

It is recommended to TIC to approve the project and assist the investor to be granted with the necessary tax exemptions on acquisition of capital goods. The analysis is sound, economically attractive and socially acceptable

BUSINESS PLAN
TANZANIA BOTTLED WATER AND NATURAL FRUIT JUICE.

FIXED ASSETS SCHEDULE

Plant & Machines	1,200,000	1,100,000	1,000,000	900,000	800,000
Motor Vehicle	200,000	175,000	150,000	125,000	100,000
Furniture & Fixtures	100,000	85,000	70,000	55,000	40,000
Total	1,500,000	2,260,000	1,220,000	1,080,000	940,000
Depreciation	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Plant & Machines	100,000	100,000	100,000	100,000	100,000
Motor Vehicles	25,000	25,000	25,000	25,000	25,000
Furniture & Fixtures	15,000	15,000	15,000	15,000	15,000
ANNUAL DEPRECIATION	(140,000)	(140,000)	(140,000)	(140,000)	(140,000)
CLOSING FIXED ASSETS	1,360,000	1,220,000	1,080,000	940,000	800,000

BUSINESS PLAN
TANZANIA BOTTLED WATER AND NATURAL FRUIT JUICE.

PROJECTED BALANCE SHEET

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Fixed Assets	1,360,000	1,220,000	1,080,000	940,000	800,000
Cash	1,690,500	2,295,500	3,625,000	4,500,000	5,300,000
Account Receivable	120,000	180,000	220,000	260,000	300,000
Inventory	150,000	200,000	250,000	300,000	350,000
Total Current Assets	1,960,500	2,675,500	4,095,000	5,060,000	5,950,000
Total Assets	3,320,500	3,895,500	5,175,000	6,000,000	6,750,000
Curent Liabilities					
Current Liabilities	155,000	150,000	150,000	150,000	150,000
Captil and Reserves					
Owners Contribution	2,000,0000	2,000,000	2,000,000	2,000,000	2,000,000
Retained Earning	1,165,500	1,745,500	3,025,000	5,850,00	4,600,000
Total Capital	2,315,500	3,895,500	5,175,0000	5,850,000	6,600,000

BUSINESS PLAN
TANZANIA BOTTLED WATER AND NATURAL FRUIT JUICE.

PROJECTED INCOME STATEMENT

	Year 1	Year 2	Year 3	Year 4	Year 5
Sales Revenue	2,925,000	4,020,000	5,150,000	6,835,200	9,078,700
Cost of Sales	(620,000)	(850,000)	(1,100,000)	(1,435,000)	(1,910,000)
Gross Profit	2,305,000	3,170,000	4,050,000	5,400,200	7,168,700
Operating Expenses					
Motor Vehicle running	100,000	120,000	140,000	160,000	180,000
Salaries and Wages	78,000	124,400	160,000	192,000	225,000
Depreciation	140,000	140,000	140,000	140,000	140,000
Marketing Costs	101,000	110,000	130,000	150,000	170,000
Utility Costs	80,500	90,500	100,000	110,000	120,000
Insurance	90,000	90,100	95,000	100,000	105,000
Communication	50,500	95,000	100,000	110,000	120,000
Total Expenses	(640,000)	(770,000)	(865,000)	(962,000)	(1,060,000)
Profit before Tax	1,665,000		3,185,000	4,438,200	6,108,700
Tax (30%)	(449,500)	(720,000)	(955,500)	(1,331,460)	(1,832,610)
Profit After Tax	1,165,500	1,680,000	2,229,500	3,106,740	4,276,090